



MWEA Lagoon Seminar
May 9, 2017

Funding Sources for Small Communities

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NEWS FLASH: CHEESE!



WHO HID MY CHEESE?

NATIONAL SCENE

- Infrastructure on the agenda
- In the news
 - 2017 ASCE Report Card out
 - MI ASCE coming soon
- Bipartisan issue?
 - Trump talks a good game, but...
 - ...Wants to gut EPA
 - ...Build a wall
 - Freedom Caucus
- FLINT



21 CIR: MI

- Water needs: \$1 B a year x 20
 - MDEQ funding needed
 - Another \$400 M for SAW
 - New \$350 M WAMPs
 - MDEQ involved in setting rates
 - Stormwater utilities...cut BOLT
 - Green infrastructure
 - Limit septics, community system
 - Open competition



ASSET MANAGEMENT!!!!

CAUTIONS

- 21CIR cheese is imaginary, the \$ does not exist
- Road funding tussle a preview
 - R: Utils a local issue
- Snyder out in 2018
 - Will 21CIR survive?



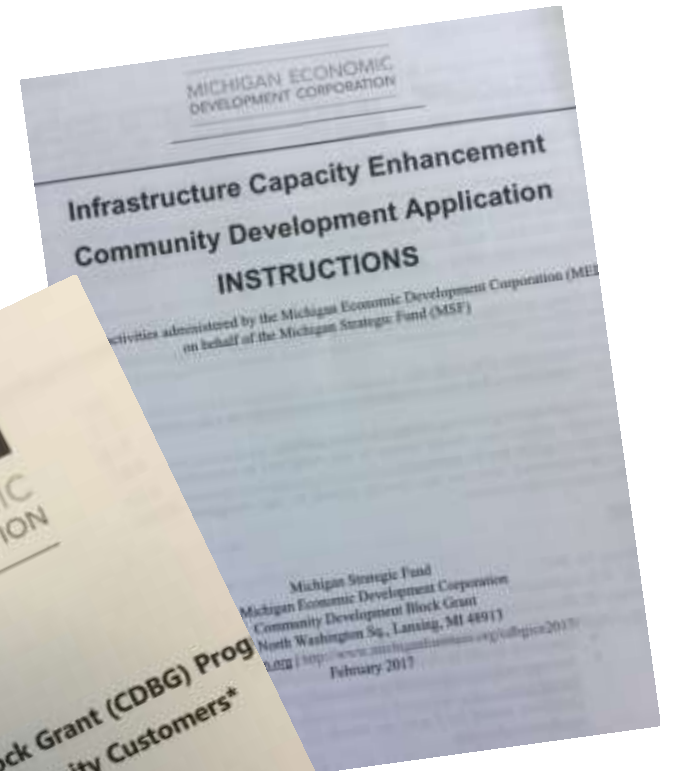
SRF/DWRF

- 2.5% over 20
- >\$150 M in 2016
- May 1 DWRF
- July 1 SRF
- Green Project Reserve
- Disadvantaged communities, 50 points, 30 years (2.75%)
- Davis Bacon, American iron & steel, QBS, Project Plans

RD

- < 10,000
- Grants > 1.5% MHI
- Sliding scale interest rates (2.0% to 3.375%)
- 40 years
- PER
- Planning Grants up to \$25 k < 2,500
- 2014: \$70 M, 80% loan, 20% grant

ICE



- LMI
- \$2,000,000
- RRC
- CIP-6

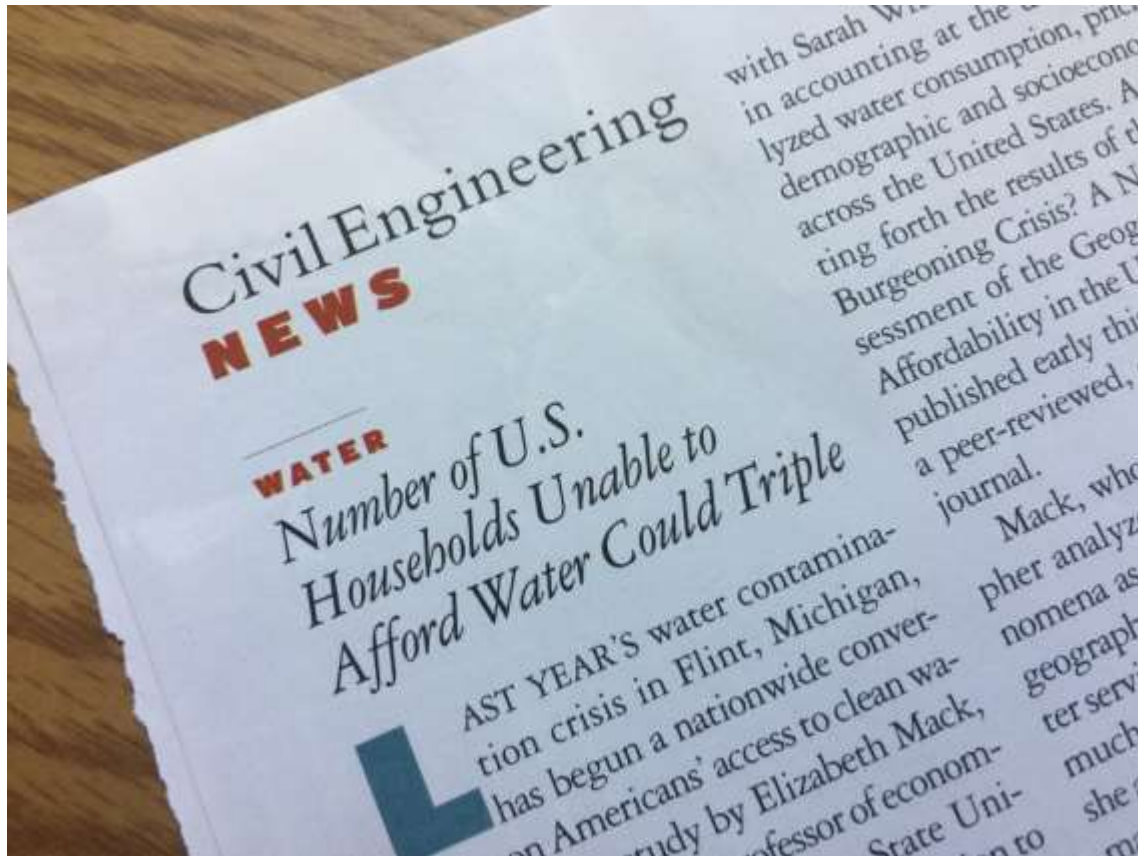
FUNDING TRENDS

- AMPs before funding
 - NPDES
 - WAMPs
 - SAW
- Self-reliance (\$5 M for Fraser)
- Adequate Rates
- Shrinking political support in MI, US (taxes)

UP NEXT: AFFORDABILITY

<4% MHI OK for H2O, Sewer

Winners and Losers?



SAW AND RATES

- 2 clients already raised rates > 20%
- Start with a 'bump', then 'inflation'
- Not hearing much pushback...
- We can afford this long-term, and its not as bad as we thought!
- First increase sets rate policy
- Self-reliance!

AM is the best public policy I've ever seen ... Tom Traciak

MORE FUNDING TRENDS

- Green Infrastructure
- Green Energy
- EIBs
- HB 4100 Stormwater Utilities

ACTION PLAN

- Build AMP, keep it current
- Know your costs, and charge enough
- Know your MDEQ rep
- Know your CAT Team rep
- Know your state reps

Questions?

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